

Summary of Changes to HOME Homebuyer Application Policy

Effective Program Year 2023

- Removed Application Fee for Homebuyer applicants.
- *2.2: Eligible CHDO Applications Proposing Projects in selected Participating Jurisdictions:* Updated to only include Anderson, East Chicago and Terre Haute per the criteria outlined under the State of Indiana Consolidated Plan.
- *3.3: HOME Program Requirements:*
 - Added that Income Verification must be submitted to IHCD for approval prior to selling the unit to the Homebuyer. Additional requirements regarding this standard may also be found under the HOME Homebuyer Closing Manual.
 - Updated the Construction Standards to require three inspections per HOME-assisted unit, to comply with 24 CFR 92.251 Property Standards.
 - Added Re-Inspection Fee policy
 - Clarified eligible sources of match specific to Homebuyer to comply with 24 CFR 92.221(d).
- *4.1: Homebuyer Subsidies:* Defined development gap subsidy and direct subsidy.
- *5.4: CHDO Proceeds:* Added requirement of CHDO Reuse Plan for CHDO Proceeds.
- *6.3: Eligible Activity Costs:*
 - Added requirement of construction contingency for Development Uses.
 - Updated the Retainage policy to be 10% of the award, instead of \$10,000.
- *7.2: Homebuyer New Construction Provisions:* Added additional visibility requirements for new construction.
- *7.5: Underwriting Standards – Closing:* Added proposed utility costs to the closing and back-end ratio calculations.
- *7.7: Homebuyer Counseling:*
 - Identified allowable Housing Counseling Agencies and resources for assessing those agencies to ensure compliance with CFR 24 92.254(a)(3).
 - Removed requirement of post-purchase housing counseling.
- *Section 8: Lease Purchase Requirements:* Added new requirements for those applicants proposing to undertake a Lease-Purchase activity.
- *9.2 Threshold Requirements:*
 - Removed requirement for applicant to submit Debarment documentation.
 - Added requirement of submitting either an “as-is” appraisal or valuation by the local tax assessor.
- *10.1 Development Characteristics:*
 - Added new scoring category of Life Expectancy
 - Added new scoring of category for Post-Purchase Counseling
- *10.2 Development Features:*
 - Added additional points for units with 4+ bedrooms.
 - Adding scoring category for HERS rating
- *10.4 Capacity:*
 - Updated the list of eligible certifications.

- Updated and simplified the requirements for Overall IHEDA Award Performance of the Applicant.
- *10.5 Leveraging of Other Sources:*
 - Added additional point for use of CHDO Proceeds on Homebuyer awards.